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Filing date: **11/25/2013**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

|                           |  |
|---------------------------|--|
| Proceeding                | 92057807   |
| Party                     | Defendant<br>American DJ Supply, Inc.  |
| Correspondence<br>Address | JOSHUA A SCHAUL<br>SHERMAN & ZARRABIAN LLP<br>1411 5TH ST STE 306<br>SANTA MONICA, CA 90401<br>UNITED STATES<br>trialteam@sziplaw.com, docketing@sziplaw.com |
| Submission                | Opposition/Response to Motion  |
| Filer's Name              | Joshua A. Schaul   |
| Filer's e-mail            | schaul@sziplaw.com, trialteam@sziplaw.com  |
| Signature                 | /s/ Joshua A. Schaul   |
| Date                      | 11/25/2013   |
| Attachments               | 20131125 ADJ1-LIT.e16.D_Reply re Motion to Dismiss.pdf(252081 bytes )  |

**UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the matter of Trademark Registration

Reg. No.: 2,652,876  
Registered: November 19, 2002  
By: American DJ Supply, Inc.  
For the Trademark: AMERICANDJ

AMERICAN PRO INTERNATIONAL  
CORP.,

Petitioner,

vs.

AMERICAN DJ SUPPLY, INC.,

Respondent.

Cancellation No. 92057807

**REPLY IN SUPPORT OF MOTION TO  
DISMISS AND, ALTERNATIVELY,  
MOTION TO SUSPEND PROCEEDINGS**

Respondent American DJ Supply, Inc. (“American DJ”) respectfully submits this reply in support of its motion dismiss the above-identified petition to cancel the American DJ® trademark. In its opposition, petitioner American Pro International Corp. (“American Pro”) acquiesces that its fraud claim is not pleaded with the requisite particularity; allegations that address how American DJ’s alleged misrepresentations caused American Pro’s “resulting damage,” an essential element in its fraud claim, are noticeably absent from the petition. American Pro has not met its heightened pleading requirement according to Fed. R. Civ. Pro. 9(b) and American DJ respectfully requests the Board grant its motion to dismiss. *See Vess v. Ciba-Geigy Corp. USA*, 317 F.3d 1097, 1106 (9th Cir. 2003).

Instead, American Pro argues: 1) that its petition is “supported by statements of fact providing information upon which American Pro relies”; and 2) that American DJ allegedly “already admitted that [American DJ’s] AMERICANDJ mark is not at issue in the pending

litigation” in Florida. These arguments should not be accepted by the Board.

The only “facts” American Pro asserts are that the specimens filed on November 19, 2012, by American DJ in support of its section 8 & 9 affidavit “display the mark as AMERICAN DJ (two words)” and that “[t]he mark on the drawing must be a substantially exact representation of the mark on the specimen under 37 C.F.R. §§ 2.51(a) and 2.72(a)(1) and TMEP §807.12(a).” However, the USPTO accepted the validity of American DJ’s specimen when it submitted its Declaration of Continued Use under Section 8 of the Lanham Act (“Declaration”) and such Declaration was accepted. *See*, attached true and correct copy of the official USPTO Notice of Acceptance of Declaration of Use dated December 15, 2012, as **Exhibit 1**. Moreover, the authority cited by American Pro pertains to prosecution of a trademark application, which is not relevant to specimens filed in support of maintenance of a registered trademark. Specifically, 37 C.F.R. § 2.51(a) begins with “In an *application*...,” 37 C.F.R. § 2.72(a)(1) begins with “In an *application* based on use...,” and TMEP §807.12(a) begins with “In an *application*...” It is unequivocal that specimens filed by American DJ November 19, 2012, were *not* in furtherance of an application to register the AMERICANDJ trademark, but to maintain federal registration of its AMERICANDJ mark. As such, the authority cited by American Pro is irrelevant cannot be found to form the basis for American Pro’s assertion that American DJ “never used the mark in the drawing in connection with” a series of sound recordings. Moreover, American Pro cites no authority in its opposition which supports its theory that statutes pertaining to prosecution of a trademark application are transferrable and applicable to maintenance of a registered trademark.

In its petition and again in its opposition, American Pro fails to cite authority that “a series of musical sound recordings” must be “hard disc musical sound recordings.” Merriam-Webster defines “series” as “a number of things or events that are arranged or happen one after the other.” It is unequivocal that the specimen American DJ filed with its Declaration, which showed downloadable mp3 music files, organized on the American DJ webpage in list format, can be construed as a “series musical sound recordings.” Thus, American Pro has not pled sufficient facts to support its conclusion that American DJ does not use its AMERICANDJ

trademark on a “series of musical sound recordings.” and that American DJ abandoned its AMERICANDJ trademark.

Since alleged abandonment of the AmericanDJ® trademark is the sole basis for American Pro’s fraud allegation, American Pro has also failed to plead facts to support its fraud theory. Further, American Pro failed to allege facts that give rise to a *strong inference* of fraudulent intent on the part of American DJ. *See Exergen Corp. v. Wal-Mart Stores, Inc.*, 575 F.3d 1312, 1327 n.4 (Fed. Cir. 2009)(“plaintiffs must allege facts that give rise to a strong inference of fraudulent intent. While state of mind may be averred generally, plaintiffs must still allege facts that show the court their basis for inferring that the defendants acted with ‘scienter’”). There are simply no “facts” from which the Board could infer that American DJ’s intended to defraud the trademark office given the USPTO accepted American DJ’s Declaration which, according to American Pro, is rife with evidence of American DJ’s non-use and abandonment of the AMERICANDJ trademark. American Pro failed to plead fraud with the requisite particularity and the Board should grant American DJ’s motion to dismiss the current proceeding.

In its opposition, American Pro also asserts that the Federal Court action pending in Florida will have no bearing on this Cancellation proceeding “given that [American DJ], through its counsel, already admitted that [the] AMERICANDJ mark is not at issue in the pending litigation.” American Pro’s assertion is disingenuous given that it was counsel for American Pro who explained why inclusion of the AMERICANDJ trademark in American Pro’s affirmative defense of fraud was in response to American DJ’s counterclaim of trademark infringement pertaining to the “American family of trademarks,” of which the AMERICANDJ mark is a member. *See* Declaration of Allan A. Joseph, ¶3-4, Ex. B. Moreover, American Pro makes clear that the AMERICANDJ trademark is part of the Florida Action for American Pro unequivocally asserts that American DJ’s counterclaim for trademark infringement “is barred, in whole or in part, by the doctrine of unclean hands. [American DJ] has unclean hands because [American DJ] committed fraud on the United States Patent and Trademark Office (‘PTO’) in maintaining and

renewing the trademarks registrations for their so-called ‘family of American marks,’ including without limitation **AMERICANDJ** and AMERICAN DJ, when [American DJ] knowingly made false, material representations with the intent to deceive the PTO.” (Emphasis added.)

Further, collateral estoppel will prevent American DJ, in the current proceeding, from defending against American Pro’s allegations of abandonment and fraud. “The doctrine of collateral estoppel, or ‘issue preclusion,’ applies when ‘a matter has been litigated and decided.’” *Migra v. Warren City Sch. Dist. Bd. Of Educ.*, 465 U.S. 75, 77, n.1, 104 S. Ct. 892, 79 L. Ed. 2d 56 (1984). “The doctrine of issue preclusion (also sometimes known as ‘collateral estoppel’), which serves to bar the revisiting of ‘issues’ that have been already fully litigated, requires four factors: (1) identity of the issues in a prior proceeding;(2) the issues were actually litigated;(3) the determination of the issues was necessary to the resulting judgment; and, (4) the party defending against preclusion had a full and fair opportunity to litigate the issues.” *Jet, Inc. v. Sewage Aeration Sys.*, 223 F.3d 1360, 1365-1366 (Fed. Cir. 2000).

The fraud issue in the Florida Action is identical to the fraud issue before the Board in the instant proceeding. The Florida Action is pending and trial is scheduled to begin July 14, 2014. Determination of American Pro’s affirmative defense is and will be necessary to resolve the issue whether American Pro infringed American DJ’s AMERICANDJ trademarks and American DJ will have a full and fair opportunity to litigate the issues regarding American Pro’s affirmative defense of fraud and abandonment. Thus, American Pro’s affirmative defense of fraud meets the four collateral estoppels factors. The issue of abandonment, which forms the basis for American Pro’s fraud assertion, will be fully litigated in the Florida Action and will have a direct bearing on the current proceeding given that determination of American Pro’s affirmative defense will determine American DJ’s right to its AmericanDJ® trademark in the current proceeding. The Florida Action will be dispositive of at least the fraud issue in the current proceeding, if not also the abandonment issue. Therefore, pursuant to TBMP 510 and 37 C.F.R. 2.117(a), American DJ requests the Board stay the current proceeding pending final resolution of the Florida Action.

Thus, American DJ respectfully requests that American Pro's petition to cancel the AmericanDJ® trademark be dismissed with prejudice. Alternatively, American DJ respectfully requests suspension of the instant cancellation proceeding pending termination of the First and Second Actions, the outcomes of which will have a direct bearing on the current proceeding.

Date: November 25, 2013

SHERMAN & ZARRABIAN LLP

By: 

Kenneth L. Sherman, Reg. No.: 33783

Joshua A. Schaul, Reg. No.: 57691

Attorneys for respondent

AMERICAN DJ SUPPLY, INC.

# **EXHIBIT 1**

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**From:** TMOfficialNotices@USPTO.GOV  
**Sent:** Saturday, December 15, 2012 11:02 PM  
**To:** trademark@sziplaw.com  
**Subject:** Trademark RN 2652876: Official Notice of Acceptance and Renewal under Sections 8 and 9 of the Trademark Act

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**Serial Number:** 76240100  
**Registration Number:** 2652876  
**Registration Date:** Nov 19, 2002  
**Mark:** AMERICANDJ  
**Owner:** AMERICAN DJ SUPPLY, INC.

Dec 15, 2012

### **NOTICE OF ACCEPTANCE UNDER SECTION 8**

The declaration of use or excusable nonuse filed for the above-identified registration meets the requirements of Section 8 of the Trademark Act, 15 U.S.C. §1058. **The Section 8 declaration is accepted.**

### **NOTICE OF REGISTRATION RENEWAL UNDER SECTION 9**

The renewal application filed for the above-identified registration meets the requirements of Section 9 of the Trademark Act, 15 U.S.C. §1059. **The registration is renewed.**

**The registration will remain in force for the class(es) listed below for the remainder of the ten-year period, calculated from the registration date, unless canceled by an order of the Commissioner for Trademarks or a Federal Court.**

**Class(es):**  
009

TRADEMARK SPECIALIST  
POST-REGISTRATION DIVISION  
571-272-9500

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### **REQUIREMENTS FOR MAINTAINING REGISTRATION IN SUCCESSIVE TEN-YEAR PERIODS**

**WARNING:** Your registration will be canceled if you do not file the documents below during the specified time periods.

**What and When to File:** You must file a declaration of use (or excusable nonuse) **and** an application for renewal between every 9th and 10th-year period, calculated from the registration date. See 15 U.S.C. §§1058, 1059.

#### **Grace Period Filings**

The above documents will be considered as timely if filed within six months after the deadlines listed above with the payment of an additional fee.

**\*\*\*The USPTO WILL NOT SEND ANY FURTHER NOTICE OR REMINDER OF THESE REQUIREMENTS. THE**



**REGISTRANT SHOULD CONTACT THE USPTO ONE YEAR BEFORE THE EXPIRATION OF THE TIME PERIODS SHOWN ABOVE TO DETERMINE APPROPRIATE REQUIREMENTS AND FEES.\*\*\***

To view this notice and other documents for this application on-line, go to <http://tdr.uspto.gov/search.action?sn=76240100>.

NOTE: This notice will only be available on-line the next business day after receipt of this e-mail.

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AMERICAN PRO INTERNATIONAL  
CORP.,

Petitioner,

vs.

AMERICAN DJ SUPPLY, INC.,

Respondent.

Cancellation No. 92057807

**DECLARATION OF ALLAN A. JOSEPH  
IN SUPPORT OF MOTION TO DISMISS  
AND, ALTERNATIVELY, MOTION TO  
SUSPEND PROCEEDINGS**

I, Allan A. Joseph, declare:

1. I am over eighteen years of age and have personal knowledge of the facts stated herein. I am a partner with the law firm of Fuerst Ittleman David & Joseph, PL, attorneys of record for defendant and counterclaimant American DJ Supply, Inc. (“American DJ”) in the case of American Pro International Corp. v. American DJ Supply, Inc., U.S. District Court for the Southern District of Florida, Case No.: 13-CV-22093-ALTONAG. The foregoing is true and correct of my own personal knowledge, and if called as a witness, I could and would testify thereto.

2. On or about September 12, 2013, I corresponded with counsel for American Pro International Corp. (“American Pro”), plaintiff and counter-defendant in the Federal Action pending in Florida, concerning a draft first amended answer American Pro circulated for comment. In an email to opposing counsel, I explained an issue with the draft first amended answer; the draft contained a third affirmative defense which made reference to an

ADJ1-LIT.e16.D

Nov 25 13 02:01p Allan and Mindy Joseph 954-384-8234 p.1

AMERICANDJ mark, a trademark that is not the subject of American Pro's complaint for declaratory judgment. Attached hereto as Exhibit A and incorporated by reference herein, is a copy of my September 12, 2013, email to counsel for American Pro.

3. I followed up my email with a telephone call to counsel for American Pro wherein I was told that inclusion of the AMERICANDJ mark in American Pro's third affirmative defense was in response to American DJ's counterclaim of trademark infringement pertaining to the "American family of trademarks." Counsel explained they would make inclusion of the AMERICANDJ mark in American Pro's affirmative defense clear in the final draft amended answer.

4. After my conversation with counsel for American Pro, I emailed attorneys from Sherman & Zarrabian LLP and McQueen & Ashman LLP, my co-counsel in the Florida Action, detailing the conversation I had with counsel for American Pro. Attached hereto as Exhibit B and incorporated by reference herein, is a copy of my September 12, 2013, email wherein I discussed my conversation with counsel for American Pro.

I declare under penalty of perjury and the laws of the United States of America and the State of Florida that the foregoing is true and correct and that this declaration is executed the 25<sup>th</sup> day of November, 2013.

Allan A. Joseph

# **EXHIBIT A**

**From:** Allan Joseph [ajoseph@fuerstlaw.com]  
**Sent:** Thursday, September 12, 2013 11:39  
**To:** Jaime Vining  
**Cc:** David Friedland; Joshua Schaul; Michael Kornhauser; Jessica Concepcion  
**Subject:** RE: ADJ1-LIT.e16.A: American Pro

Actually, there is an issue. The trademark of AMERICANDJ (as opposed to AMERICAN DJ), which is referenced in your Third Affirmative Defense, is not even at issue in this case, and is not thus even an avoidance of any of the issues therein. We ask that you remove the reference therein.

Let me know,

AJ

**Allan A. Joseph**  
**Fuerst Ittleman David & Joseph, PL**  
1001 Brickell Bay Drive, 32<sup>nd</sup> Floor  
Miami, Florida 33131  
Telephone: (305) 350-5690  
Facsimile: (786) 364-7995  
Cellular: (954) 684-6006  
Email: [ajoseph@fuerstlaw.com](mailto:ajoseph@fuerstlaw.com)  
[www.fuerstlaw.com](http://www.fuerstlaw.com)

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# **EXHIBIT B**

**From:** Allan Joseph [ajoseph@fuerstlaw.com]  
**Sent:** Thursday, September 12, 2013 11:45  
**To:** Joshua Schaul  
**Cc:** trialteam; Tina Baravarian; Kenneth L. Sherman; Jim McQueen (mcqueen.ja@gmail.com); Jessica Concepcion; Michael Kornhauser  
**Subject:** RE: ADJ1-LIT.e16.A: American Pro

They claim AMERICANDJ is in response to the allegations pertaining to the "American Family of trademarks." They are going to clean that up to make it clear that is why they are making the defense.

AJ

**Allan A. Joseph**  
**Fuerst Ittleman David & Joseph, PL**  
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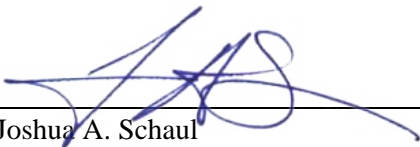
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IRS Circular 230 Disclosure: This communication is not intended to be a covered opinion as defined in Treasury Regulations and, therefore, is not intended to be used as, and cannot be relied upon as, a defense against penalties that may be imposed by the IRS.

**CERTIFICATE OF SERVICE**

I hereby certify that a true and complete copy of the foregoing **REPLY IN SUPPORT OF MOTION TO DISMISS AND, ALTERNATIVELY, MOTION TO SUSPEND PROCEEDINGS** has been served on Petitioner's counsel by mailing said copy on November 25, 2013, via First Class Mail, postage prepaid:

David K. Friedland  
FRIEDLAND VINING, P.A.  
1500 San Remo Avenue, Suite 200  
Coral Gables, Florida 33146



Joshua A. Schaul